

## MANAGEMENT CERTIFICATION ADDENDUM

This addendum to the Management Certification provides an overview of the more common situations in which financial institutions can share consumers' nonpublic personal information without first providing notices. This addendum is not meant as a definitive interpretation of the cited exemptions. **Financial institutions are advised to consult with their own legal counsel and the Financial Code regarding the details of these exemptions** as the applicability of many of them is dependent on satisfying certain factors, which will not be discussed herein. In addition to the exemptions listed here, there are other exemptions available. **Financial institutions are advised to consult with their legal counsel as to the availability of such other exemptions.**

The following is an overview of the more common circumstances in which a financial institution may release nonpublic personal information without first providing notices to the affected consumers.

- (1) The nonpublic personal information is necessary to maintain a consumer's account or to effect a transaction requested by the consumer. (Financial Code ("FC") 4056(b)(1).)
- (2) The nonpublic personal information is released at the direction of the consumer. (FC 4056(b)(2).)
- (3) The nonpublic personal information is released to protect the confidentiality or security of the financial institution's records pertaining to the consumer, the service or product. (FC 4056(b)(3)(A).)
- (4) The nonpublic personal information is released to protect against fraud, identity theft, unauthorized transactions, claims, or other liability. (FC 4056(b)(3)(B).)
- (5) The nonpublic personal information is released for required institutional risk control or for resolving customer disputes or inquiries. (FC 4056(b)(3)(C).)
- (6) The nonpublic personal information is released for purposes of debt collection. (FC 4056(b)(3)(D).)
- (7) The nonpublic personal information is released to persons acting in a fiduciary or representative capacity on behalf of the consumer. (FC 4056(b)(3)(E).)
- (8) The nonpublic personal information is released to provide information to insurance rate advisory organizations, persons assessing the institution's compliance with industry standards, and the institution's attorneys, accountants, and auditors. (FC 4056(b)(4).)
- (9) The nonpublic personal information is released to law enforcement agencies, including federal and state regulators. (FC 4056(b)(5).)
- (10) The nonpublic personal information is released in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of the business or unit. (FC 4056(b)(6).)
- (11) The nonpublic personal information is released to comply with federal, state, or local laws, rules, regulatory investigations, subpoenas, or other purposes as authorized by law. (FC 4056(b)(7).)
- (12) The nonpublic personal information is released under a written contract to an affiliate or a nonaffiliated third party in order for the affiliate or nonaffiliated third party to perform business or professional services, such as printing, mailing services, data processing, on behalf of the financial institution. (FC 4056(b)(9).)

- (13) The nonpublic personal information is released to a licensed real estate appraiser, and the information is compiled strictly to complete other real estate appraisals and is not used for any other purpose. (FC 4056(b)(11).)
- (14) The nonpublic personal information is released as required by the USA Patriot Act. (FC 4056(b)(12).)
- (15) The nonpublic personal information is released to a consumer reporting agency pursuant to the Fair Credit Reporting Act. (FC 4056(b)(13).)
- (16) The nonpublic personal information is released in connection with a written agreement between a consumer and a broker-dealer or an investment adviser to provide investment management services, and the nonpublic personal information is released for the sole purpose of providing the products and services covered by that agreement. (FC 4056(b)(14).)
- (17) The nonpublic personal information is disclosed, in the ordinary course of business, in order for insurance brokers to provide quotes to consumers seeking price quotes on insurance products and services. (FC 4056.5(b).)
- (18) The nonpublic personal information from an insurer or its affiliates is disclosed or shared with an exclusive agent, who may not share nonpublic personal information with any insurer other than the insurer with whom the agent has a contractual or employment relationship. An insurer or its affiliates do not disclose or share nonpublic personal information with exclusive agents merely because information is maintained in common information systems or databases, and exclusive agents of the insurer or its affiliates have access to those common information systems or databases, provided that where a consumer has exercised his or her rights to prohibit disclosure pursuant to this division, nonpublic personal information is not further disclosed or used by an exclusive agent except as permitted by this division. (FC 4056.5(c)(1).)
- (19) The nonpublic personal information is shared between a financial institution and its wholly owned financial institution subsidiaries; among financial institutions that are each wholly owned by the same financial institution; among financial institutions that are wholly owned by the same holding company; or among the insurance and management entities of a single insurance holding company system consisting of one or more reciprocal insurance exchanges which has a single corporation or its wholly owned subsidiaries providing management services to the reciprocal insurance exchanges. (FC 4053(c).)